

# **CAGC comments to Legislative Study Committee on LCC**

**February 23 ,2012**

**1. Carolinas AGC role**

**2. Relationship with NCDOT-Committees ,etc.**

**3. Contracting Industry Expectations**

**a. How to participate in bid process**

**b. How to prequalify**

**c. What are the requirements of your contract.**

**d. How will I be paid**

**e. When is project to be delivered**

**f. Owner must be a partner in delivering the project**

**4.Contract Delivery Methods**

**a. Design, Bid, Build-----most common---lowest responsible bid---Based on owners design**

**b. A + B bids bid involves bidding time and costs to build --- owners design**

**c. Design / Build --- proposal includes technical approach as well as costs to build. Contracting team does most of the**

**design. Projects must have potential for innovations and owner must be open to innovative approaches. Not suitable on all projects. Traffic management is usually a large issue.**

**d. Use of incentive / disincentive provisions in design , bid ,build**

**e. Emergency contracting process---Rock slide could be example. Conditions to be encountered not known. Force account process typically.**

**f. Public /Private /Participation projects -- Similar to design /build but also involves private financing through a concessionaire .**

## **5.Keys to successful contracting processes**

**a. Clear contract terms**

**b. Risks defined in contract for both parties**

**c. Use of constructability reviews on complicated projects as well as additional length of advertising time ,example –8 weeks in lieu of 4 weeks to prepare bids.**

**d. Third party influences limited where possible ---examples-- utility conflicts ,environmental regulatory agencies ,federal government ,etc.**

**e. Timely decision making by owner or their representative**

- f. flexibility to be reactive to unanticipated site conditions**
- g. Incorporation of reasonable contract goals for minority and women business enterprises that reflect availability and capability to participate in individual projects.**
- h. Use of common sense and judgment**
- i. TIME IS MONEY=====DEFINE RISKS TO EACH PARTY TO THE CONTRACT**

## **6. Potential areas to improve costs**

- a. Delegate DENR's Division of Water Quality routine involvement to NCDOT similar to what has been done by the Division of Land Resources by delegation agreement.**
- b. Have DOT and DENR evaluate environmental features required by the permitting agencies to insure that cost/benefit is realistic.**
- c. Utilize more road shut downs for shortened concentrated construction times in lieu of detours for longer times.**
- d. Have cost/benefit discussions between industry and DOT on routine basis.**
- e. Have the key critical path schedules on the DOT typical project development process analyzed by DOT with the solicitation of recommendations where the overall process could have a time savings reduction of at least 20 percent.**

**f. Standardize design concepts and features on projects as much as possible.**

**7.Closing comments about NCDOT**